

STATE OF COLORADO

Bill Ritter, Jr., Governor
James B. Martin, Executive Director

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S.
Denver, Colorado 80246-1530
Phone (303) 692-2000
TDD Line (303) 691-7700
Located in Glendale, Colorado
<http://www.cdphe.state.co.us>

Laboratory Services Division
8100 Lowry Blvd.
Denver, Colorado 80230-6928
(303) 692-3090



Colorado Department
of Public Health
and Environment

April 30, 2009

James Warren II, R.A.
American Iron and Metal Company, LLC
831 Sante Fe Drive
Pueblo, CO 81006

Certified Mail Number: 7007 0220 0001 0160 6426

**RE: Expedited Settlement Agreement, Number: ES-090430-2
CDPS Permit No: COR-060185**

Dear Mr. Warren:

Enclosed for your records you will find American Iron and Metal Company, LLC's copy of the recently executed Expedited Settlement Agreement ("ESA"). Please be advised that the first page of the ESA was changed in order to place the correct ESA Number on the final document. The ESA is now fully enforceable and constitutes a final agency action.

As specified in the enclosed ESA, American Iron and Metal Company, LLC must, within fifteen (15) calendar days, submit a certified or cashier's check for the amount specified in the ESA to the Water Quality Control Division in order for this matter to be resolved.

If you have any questions, please don't hesitate to contact Danelle Morgan at (303) 692-3176 or by electronic mail at danelle.morgan@state.co.us.

Sincerely,

Kristi-Raye Beaudin, Legal Assistant
Water Quality Protection Section
WATER QUALITY CONTROL DIVISION

cc: El Paso County Department of Health and Environment

cc: Aaron Urdiales, EPA Region VIII
Gary Beers, Permits Unit, CDPHE

Enclosure(s)



Colorado Department of Public Health & Environment
Water Quality Control Division

EXPEDITED SETTLEMENT AGREEMENT

Number: ES-090430-2

The Colorado Department of Public Health and Environment ("Department"), through the Water Quality Control Division ("Division"), issues this Expedited Settlement Agreement ("ESA"), pursuant to the Division's authority under §§25-8-602, 25-8-605 and 25-8-608, C.R.S. of the Colorado Water Quality Control Act (the "Act") §§25-8-101 to 703, C.R.S., and its implementing regulations, with the express consent of American Iron and Metal Company, Inc. ("AIMC"). The Division and AIMC may be referred to collectively as "the Parties."





1. AIMC is a "person" as defined under the Water Quality Control Act, §25-8-103(13), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2(73).
2. AIMC is conducting recycling activities located at 1100 Oil Place, in or near the Town of Pueblo, Pueblo County, Colorado (the "Facility").
3. AIMC failed to obtain coverage for the Facility under the Colorado Discharge Permit System General Permit for Stormwater Discharges Associated with Industrial Activity, in violation of §25-8-501(1), C.R.S. and its implementing permit regulation, 5CCR 1002-61, §61.3(1)(a); as described in the attached inspection report.
4. The parties enter into this ESA in order to resolve the matter of civil penalties associated with the violation(s) alleged herein and in the attached inspection report for a penalty of \$12,000.00.
5. By accepting this ESA, AIMC neither admits nor denies the violations or deficiencies specified herein and in the attached inspection report.
6. AIMC certifies that all deficiencies identified in the attached inspection report have been corrected and that the Facility is currently in full compliance with the terms and provisions of the Permit. Additionally, AIMC has attached to this ESA: (1) a written description detailing how the deficiencies were corrected; and (2) representative photographs documenting the current conditions and the associated BMPs implemented at the Facility.
7. AIMC agrees to the terms and conditions of this ESA. AIMC agrees that this ESA constitutes a notice of alleged violation and an order issued pursuant to §§25-8-602, 25-8-605 and 25-8-608, C.R.S., and is an enforceable requirement of the Act. By signing the ESA, AIMC waives: (1) the right to contest the finding(s) specified herein and in the attached inspection report; and (2) the opportunity for a public hearing pursuant to §25-8-603, C.R.S.
8. This ESA is subject to the Division's "Public Notification of Administrative Enforcement Actions Policy," which includes a thirty-day public comment period. The Division and AIMC each reserve the right to withdraw consent to this ESA if comments received during the thirty-day period result in any proposed modification to the ESA.

9. This ESA constitutes a final agency order or action upon the date when the Executive Director or his designee signs the ESA and effectively imposes the civil penalty.
10. AIMC agrees that within fifteen (15) calendar days of receiving the signed and final ESA from the Division, AIMC shall submit a certified or cashier's check drawn to the order of the "Colorado Department of Public Health and Environment," for the amount specified in paragraph 4 above, to:

Danelle Morgan
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CADM-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

11. Notwithstanding paragraph 5 above, the violations described in this ESA will constitute part of AIMC's compliance history for purposes where such history is relevant. This includes considering the violations described above in assessing a penalty for any subsequent violations against AIMC. AIMC agrees not to challenge the use of the cited violations for any such purpose.
12. This ESA, when final, is binding upon AIMC and its corporate subsidiaries or parents, their officers, directors, employees, successors in interest, and assigns. The undersigned warrant that they are authorized to legally bind their respective principals to this ESA.

ACCEPTED BY AMERICAN IRON AND METAL COMPANY, INC.:

| | |
|---|--|
|  |  |
| Signature | Date |
|  |  |
| Name (printed) | Title |

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH & ENVIRONMENT:

| | |
|--|---|
|  | Date:  |
| Lori M. Gerzina, Section Manager Compliance Assurance Section WATER QUALITY CONTROL DIVISION | |

STATE OF COLORADO

COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
WATER QUALITY CONTROL DIVISION
TELEPHONE: (303) 692-3500



**CERTIFICATION TO DISCHARGE
UNDER
CDPS GENERAL PERMIT COR-0600000
RECYCLING INDUSTRY**

American Iron and Metal Co Inc
Certification Number **COR060185**

This Certification to Discharge specifically authorizes:

LEGAL CONTACT:

Warren James, Owner
American Iron and Metal Co Inc
831 Santa Fe Dr
Pueblo, CO 81006
Phone # 719/542-5865

LOCAL CONTACT:

James Warren, Owner,
Phone # 719/542-5865

Industrial Activity : Stock-piling and temporary storage of automobile shredder residue, trailer storage, loading of metal shred onto RR cars

Primary SIC Code: 5093

to discharge stormwater from the facility identified as

American Iron and Metal Co Inc

which is located at:

1100 Oil Pl
Pueblo, CO 81006

Latitude 38/14/50, Longitude 104/35/25
In Pueblo County

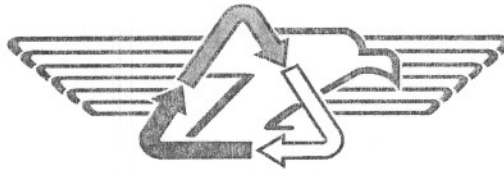
to: Salt Creek-- Arkansas River

Certification is effective: 10/30/2008 Certification Expires: December 31, 2011

Monitoring requirements apply as outlined in Part 1.D.1. b. Industrial Scrap & Waste Recyclers

First Annual Report Due: 11/28/09

Annual Fee: \$185.00 (DO NOT PAY NOW – A prorated bill will be sent in 2-3 weeks.)



**AMERICAN IRON &
METAL CO., INC.**

831 Santa Fe Drive, Pueblo, Colorado 81006

June 9, 2008

Scott Cowan
Pueblo City-County Health Dept
205 North Santa Fe Drive
Pueblo, CO 81003

Re: 1100 Oil Place

Dear Mr. Cowan,

After your visit to our facility on May 5th we found out that 1100 Oil Place did not have a storm water management plan in place. We have taken immediate steps to correct this by hiring a consultant to work with us to develop a SWMP.

Gerry Branum with Environmental Solutions is working with us to write a SWMP amendment for 1100 Oil Place, to incorporate into our current SWMP, COR 0600006 and to update the existing SWMP for 831 Santa Fe Drive and bring us into compliance. The SWMP amendment and the update are still a work in progress and will be forwarded to you as soon as they are completed.

In the past we were not using 1100 Oil Place since we moved to 831 Santa Fe Dr; however, this past year we started using our rail siding pretty heavy, loading cast iron borings. The cast iron boring project is now over and we have cleaned up the area. We are also stockpiling ASR (automotive shredder residue) at 1100 Oil Place. We have ordered various pieces of metal extraction equipment for the ASR, including eddy currents, screens and air sortation equipment. The equipment is about sixteen weeks out. We should have the plant fully operational late September or early October of this year. The stock piles will then be turned into a fluff product and disposed of at local landfills or used as BTU's at local concrete plants or power plants.

We have also hired the Safety Kleen Corporation to test several unknown items and pick them up for disposal at an approved site. Safety Kleen is also disposing of the oil contaminated soil and recycling all used oil that was found in various barrels and buckets on site.

Scott, scrap metal recycling is very demanding. Your visit was a wake up call and we are responding. While safety for our employee is number one, the environment and good

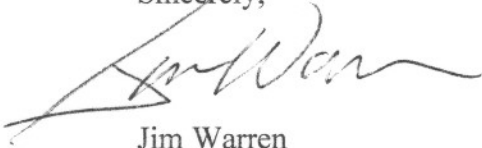
housekeeping is a high priority. We have a three man crew working to correct our faults to follow our (SWMP) and stay in compliance.

I am attaching a responses and photos to Items 1-8 of your Facility Inspection Report (6 pages).

If you have any questions or concerns please contact me at your earliest conveniences.

I thank you for your time.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Warren", with a stylized, flowing script.

Jim Warren

c: Matt Czahor, Water Quality Control Division
Colorado Department of Public Health and Environment

Attachments: (6) six pages

Response to Stormwater Facility Inspection Comments for 1100 Oil Place.

Facility Inspection

Note: An amendment to Stormwater Permit # COR 0600006 is in progress to include the site at 1100 Oil Place.

1. **Item 1 Response:** Housekeeping is improving and a majority of the random trash has been cleaned up as exhibited in Photos 1-5. Trash outside the fence at the southeast entrance has been cleaned up. Silt fencing has been installed on each side of the entrance gates (photos 1 & 2) to prevent material from escaping under the fence. Thirty feet of chainlink fence was installed from the telephone pedestal south, where the existing fence had been damaged by vandals. The trash bin (barrel) that was knocked over has been removed and disposed of.
2. **Item 2 Response:** The Shredded automobile material stockpiled long the northern portion of the property has been pulled back from the top level of the fence. Five hundred feet of silt fence had been placed on the outside of the existing fence as another barrier for any material that might get past the existing fence (Photos 6-8). The Adjoin property is under contract to the owner of American Iron & Metal and is in the process of permitting as a metal recycling facility and will be incorporated into the stormwater plan. The 300 foot berm to the east along Salt Creek will be extended north and south all along Salt Creek.
3. **Item 3 Response:** Drums containing oil were gathered up and moved to the 831 Santa Fe Drive yard where Safety Kleen will pick up the used oil for recycling. The oil spill was excavated and disposed of in drum that Safety Kleen will send for recycling (photo 9). The other empty barrels were sent to the shredder form recycling.
4. **Item 4 Response:** The metal turnings stockpiled were sent to the steel mill as well as the loose turnings that were cleaned up with a magnet.
5. **Item 5 Response:** Oil spots were removed and placed in drums for disposal by Safety Kleen (photos 9-17). The access to the absorbent material in the shed was cleared and the excess material will be disposed of properly (photo 18). The 4 paint buckets, 1 was solidified drywall mud, were properly disposed of. The dried paint spill was cleaned up placed in a drum for disposal by Safety Kleen (photos 19 & 20).
6. **Item 6 Response:** The pile of magnetic metal ws sent to the steel mill for recycling. The material was solidified and posed no threat to being transported by stormwater or wind.
7. **Item 7 Response:** All batteries found on site were relocated to the yard at 831 Santa Fe Drive and placed on a containment palate. The batteries will be sent for recycling.
8. **Item 8 Response:** The drums were removed and sent to the shredder. No material was discharged to Salt Creek because the area is in a shallow. The Site will be united with the property to the north and will be refenced.

Photo #2

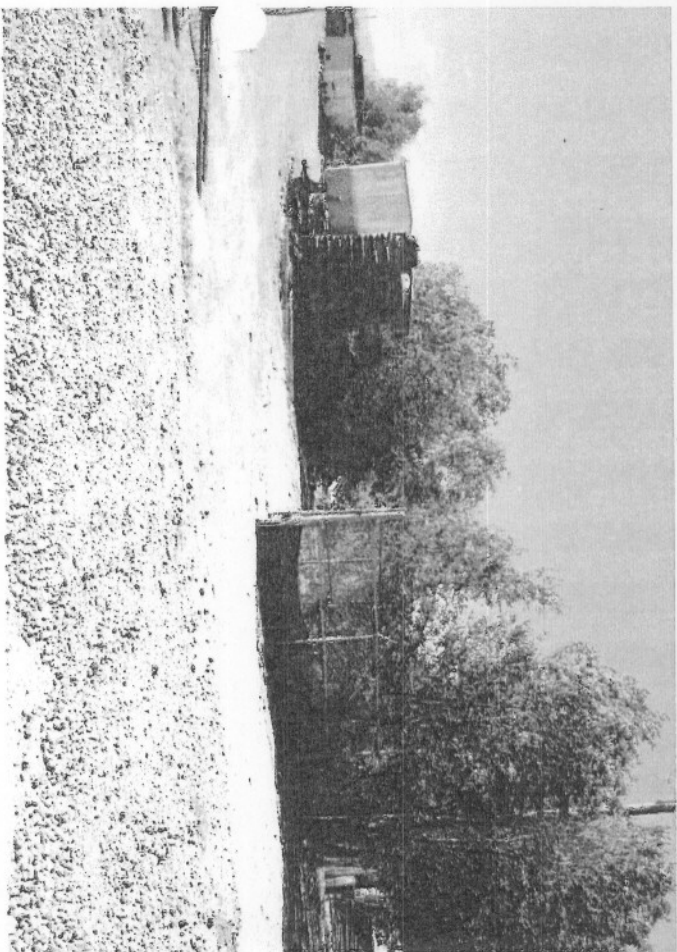


Photo #4

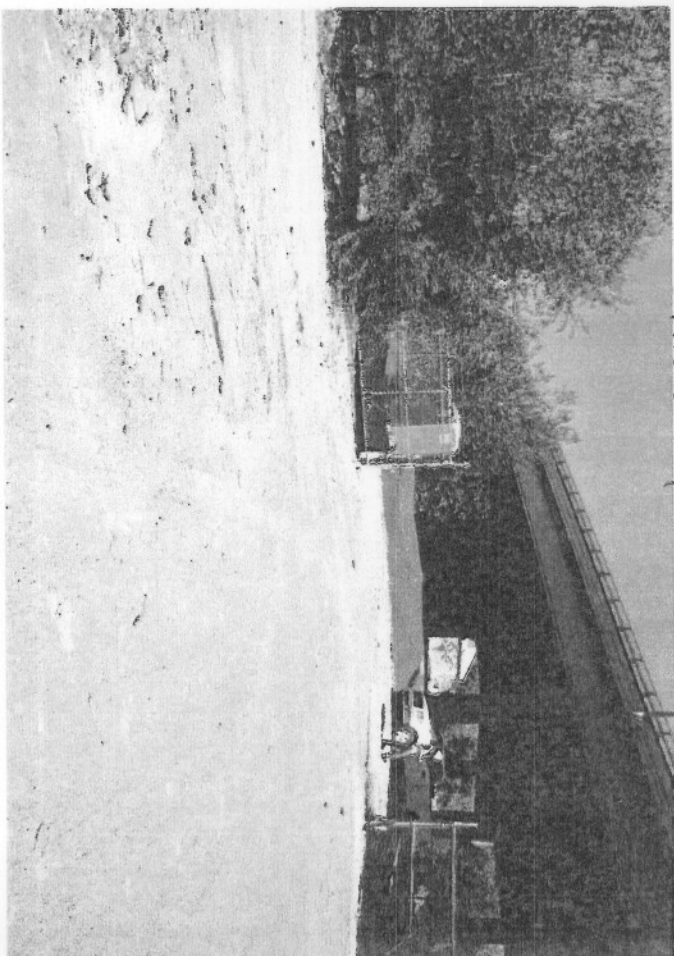


Photo #1

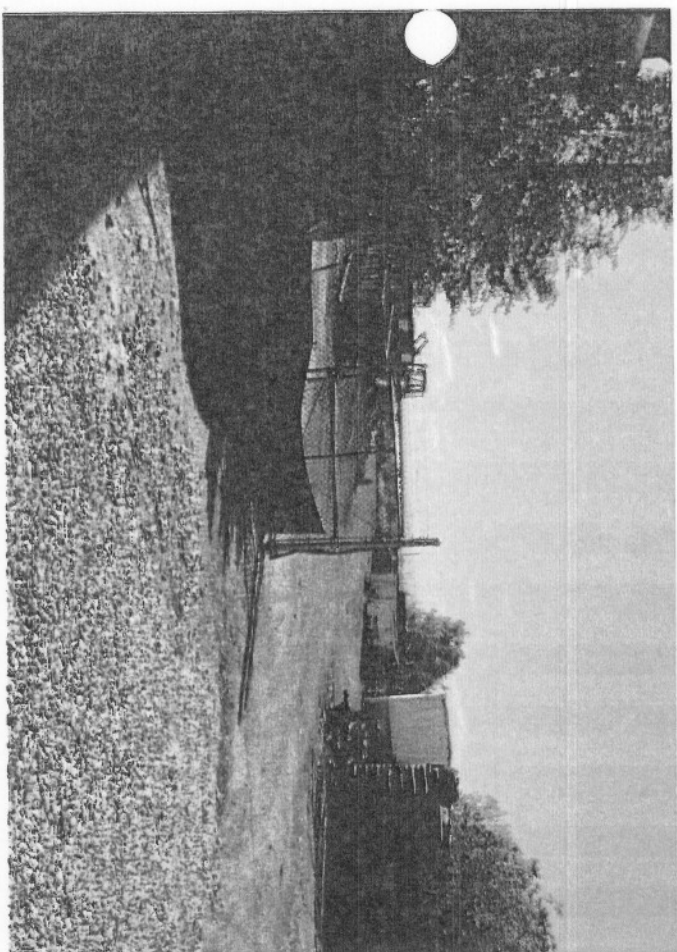


Photo #3

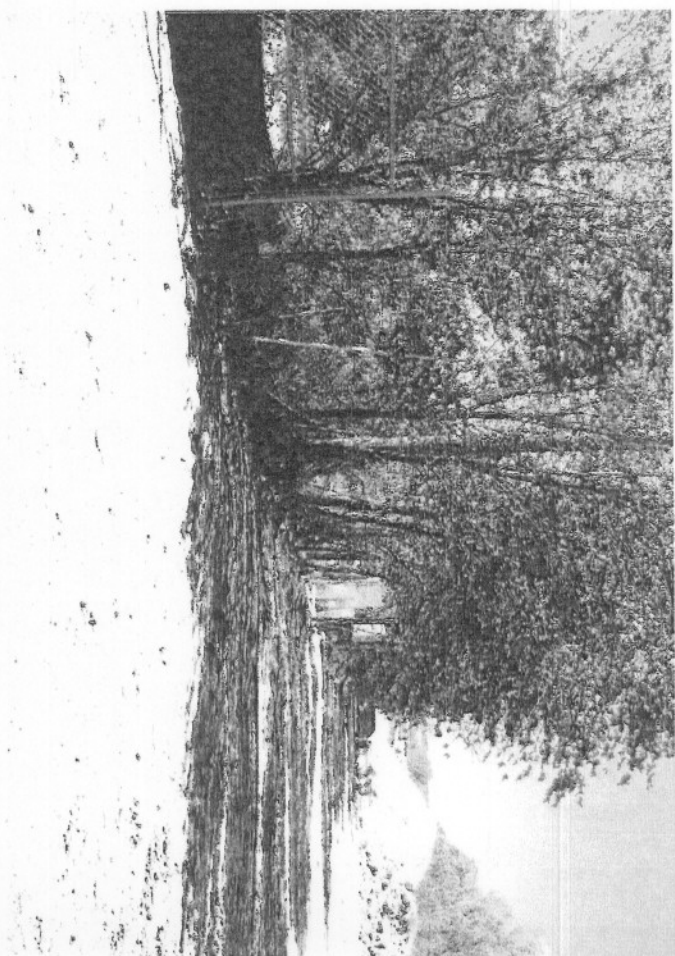


Photo #6



Photo #8



Photo #5

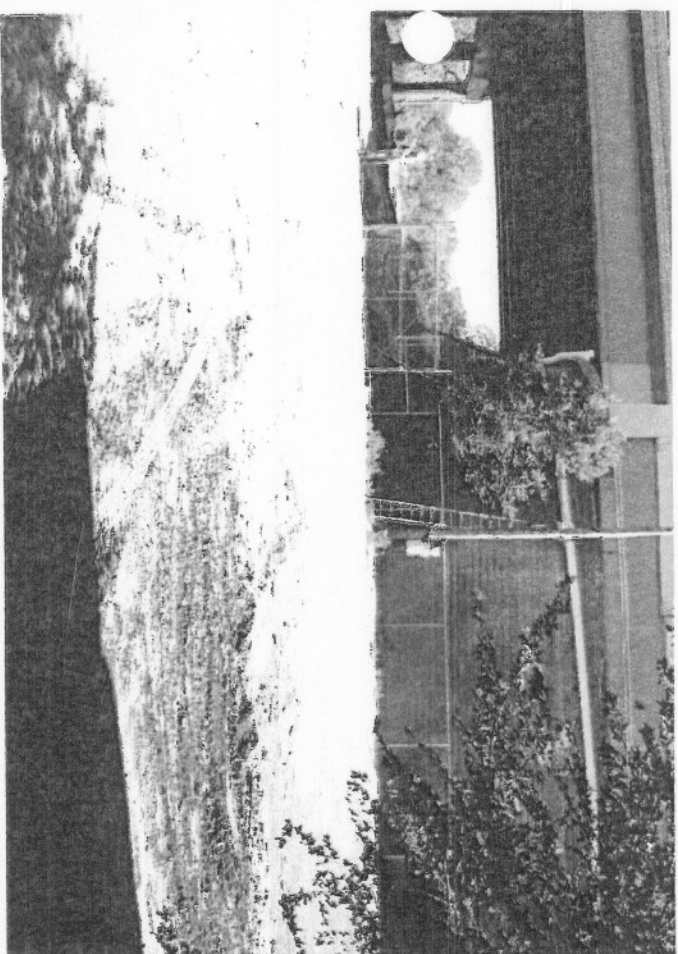


Photo #7

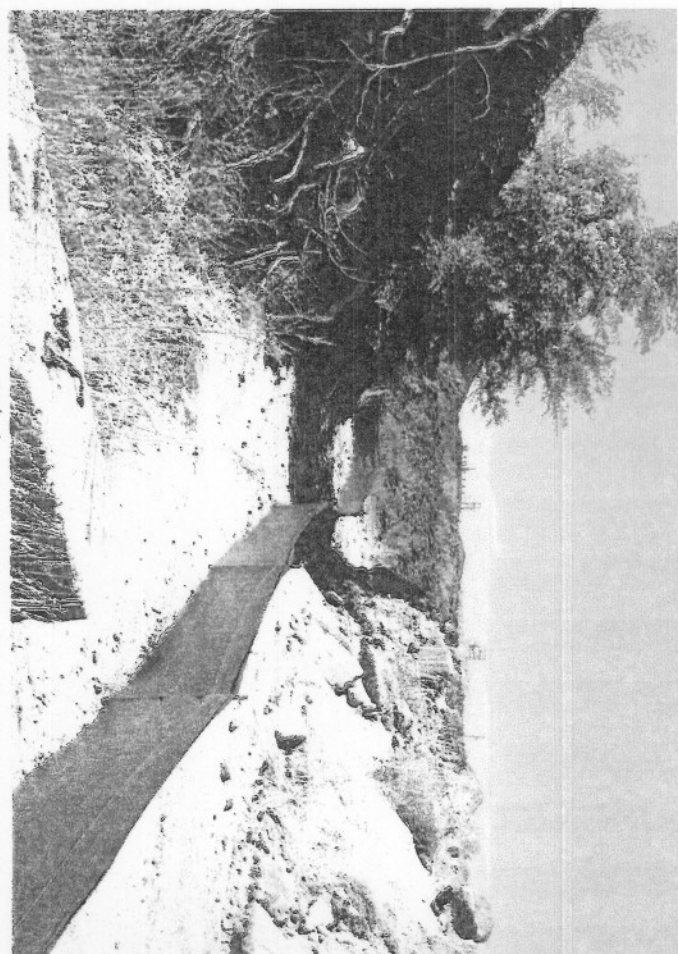


Photo #10

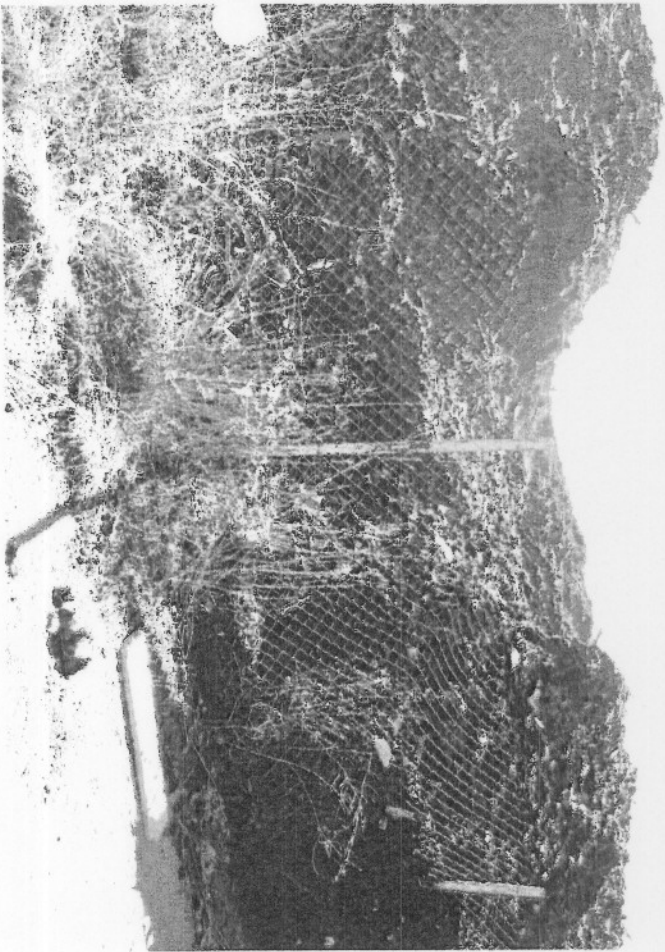


Photo #12



Photo #9

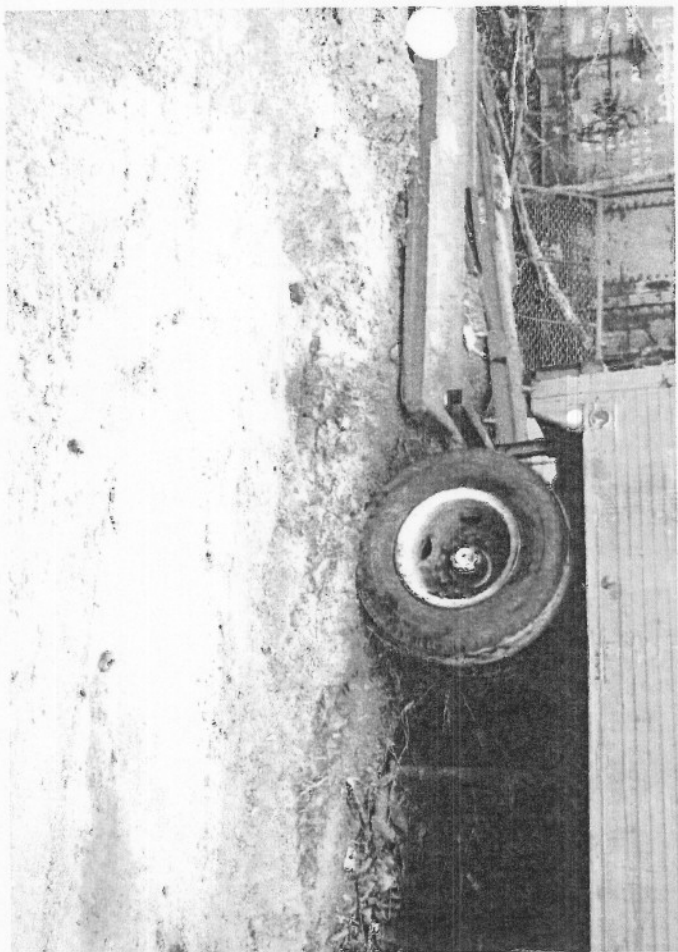


Photo #11



Photo #13



Photo #16



Photo #15



Photo #14

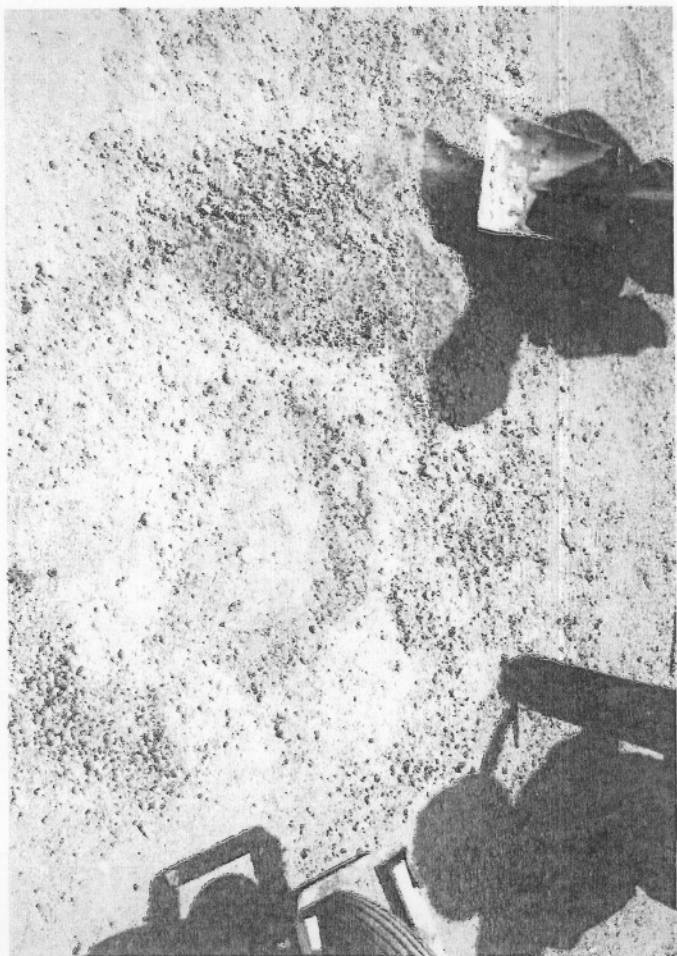


Photo #18

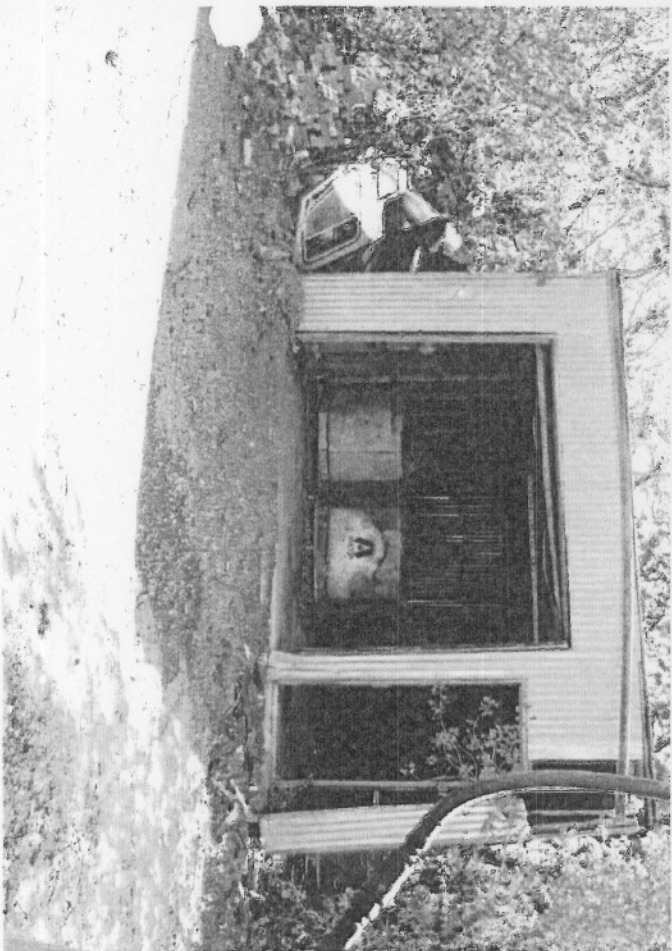


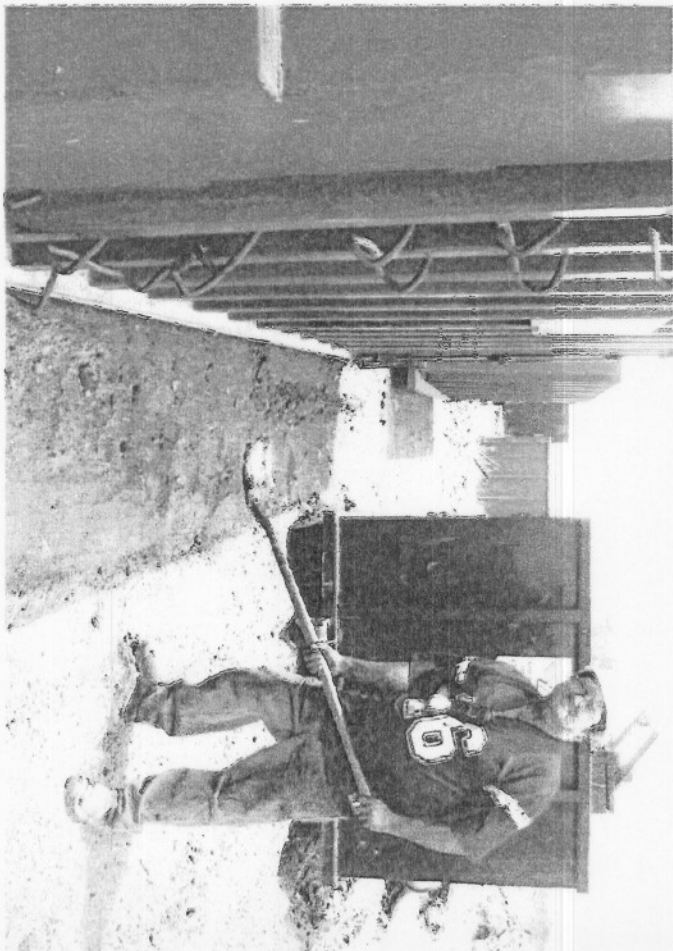
Photo #20



Photo #17



Photo #19



Gary J. Raso, P.C.

Gary J. Raso Attorney at Law

Karen L. Hovis Legal Assistant

215 E. Pitkin • Pueblo, Colorado 81004 • Phone (719) 543-1700 • Fax (719) 545-0123 • E-mail rasopc@aculink.net

March 3, 2009

Colorado Department of Public
Health & Environment
Water Quality Control Division
Attn: Scott F. Klarich
Clean Water Compliance Assurance Unit
4300 Cherry Creek Drive South
Denver, CO 80246-1530

SENT VIA FEDERAL EXPRESS

**RE: EXPEDITED SETTLEMENT AGREEMENT
AMERICAN IRON AND METAL CO., INC.
(CDPS PERMIT CERTIFICATION NO COR-060185)**

Dear Mr. Klarich:

In response to your correspondence of February 10, 2009, Jim Warren, in his capacity as President (and owner) of American Iron and Metal Co., Inc., a Colorado corporation, has executed the Expedited Settlement Agreement. We have enclosed the executed Agreement along with copies of information demonstrating that the deficiencies outlined in the annual inspection report have been corrected. The chief deficiency was that American Iron and Metal did not have the required permit in place. Accordingly we have attached a copy of the permit. We have also included a copy of a letter directed by American Iron and Metal to Scott Cowan at the Pueblo City/County Health Department dated June 9, 2008. The letter states in text form the matters which have been addressed to bring the property into compliance and, in addition, includes five pages of pictures showing compliance also. We believe that the copy of the permit, along with the correspondence and the attachments meet the demonstration requirement of the Expedited Settlement Agreement. The company is, however, willing to provide additional information if you think additional documentation is needed.

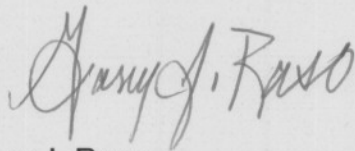
Please note that in the ESA which accompanied your letter, the company was referred to as "American Iron and Metal Company, LLC" and in your letter the company was referred to as "American Metal and Iron Company, LLC." I spoke with Danelle Morgan in your office and she checked on the name discrepancy and agreed that the proper name should be "American Iron and Metal Co, Inc, a Colorado corporation. She then

emailed me a changed ESA and said that it would be fine to print that email correspondence and have Mr. Warren sign it on behalf of the company. Accordingly, we have followed this instruction and Mr. Warren signed the enclosed ESA.

Based upon my conversation with Ms. Morgan, it is our understanding that once the ESA is accepted by the Division that it will be put out to a 30 day public comment period and, assuming nothing changes during the comment period, my client will then be sent an invoice for the \$12,000 penalty. In accordance with these instructions, we have not included a check for the penalty, although my client is prepared to do so in accordance with the Division's request.

Please let me know if you have any questions or concerns or if additional information is needed in order to successfully complete the ESA process.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gary J. Raso".

Gary J. Raso

pc Jim Warren/American Iron and Metal Co, Inc.